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1-28-03

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
TYLER DIVISION

**FILED**  
U.S. DISTRICT COURT  
EASTERN DISTRICT OF TEXAS  
JAN 27 2003  
BY DAVID J. MALAND, CLERK  
DEPUTY

UNITED STATES OF AMERICA           §  
  §  
V.                                       § NO. 6:02CR45  
  § (Judge Hannah)  
ALLEN PETTY, JR., a.k.a. AL PETTY   §

**ORDER APPOINTING RECEIVER**

CAME ON to be considered the Government's Motion for Appointment of a Receiver,  
and the Court, after considering same, makes the following findings:

1. On October 30, 2002, the jury in this case found Defendant ALLEN PETTY, JR., aka  
AL PETTY guilty of all 98 counts of the Second Superseding Indictment. Thereafter, this same  
jury returned a Special Verdict forfeiting the Defendant's interest in the following property to the  
United States of America:

**ACCOUNTS, CHECKS AND MONEY ORDERS**

- a. Approximately \$1,257,794.98 in United States currency credited to account number 1421255 in the name of Independence 2000 America, Inc., d.b.a. TeleCom 2000 Network, located at Southside Bank, Tyler, Texas;
- b. Approximately \$33,732.96 in United States currency credited to account number 1422294 in the name of Face to Face Ministries, located at Southside Bank, Tyler, Texas;
- c. Approximately \$17,125.66 in United States currency credited to account number 1406175 in the name of Allen Petty, Jr., d.b.a. TeleCom 2000 Network, located at Southside Bank, Tyler, Texas;
- d. Approximately \$49,633.42 in United States currency credited to account number 635106982 in the name of Significant Lifestyles LLC, located at Bank One, Tyler, Texas;
- e. Approximately \$1,800,000.00 in United States currency initially credited to account numbers 63377, 15884, 65504, 22358, 16378, 12052, 17423, and 65503 and later

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credited to account number 66432 in the name of X-Change Reciprocal Services, LLC located at Evocash;

f. Approximately \$1,523,863.93 in United States currency initially credited to account numbers 34982, 60636, 35924, and 13210 at Evocash;

g. Approximately \$437,862.48 in United States currency in the form of checks and money orders found in packages addressed to Allen Petty, Jr., a.k.a. Al Petty or TeleCom 2000 Network located at Federal Express, Longview, Texas;

h. Approximately \$89,957.11 in United States currency in the form of checks and money orders found in packages addressed to Allen Petty, Jr., a.k.a. Al Petty or TeleCom 2000 Network located at United Parcel Service (UPS) Longview, Texas; and

i. Approximately \$97,999.04 in United States currency in the form of checks and money orders found in packages addressed to Allen Petty, Jr., a.k.a. Al Petty or TeleCom 2000 Network located at the offices of TeleCom 2000 Network, Overton, Texas.

#### CONVEYANCES

a. One 2002 Mercedes-Benz S600V Sedan, Texas License P62GLG, VIN WDBNG78J22A246731; and

b. One 2002 Chevrolet Tahoe Sports Utility Vehicle, Texas License 6YZR96, VIN 1GNEK13Z12R199789.

#### COMPUTER EQUIPMENT

a. Ten IBM Deskstar hard drive identification numbers A4G018WA, A4G01A9A, TXJ50529, TXRJ6897, TXSF1292, TX383425, TXRK0870, TXJ71468, TXSF1246, TXSF1295;

b. One Quantum Fireball LCT hard drive serial number 054109653214;

c. Three Windows 2000 Professional 1-2 central processing units identification numbers B23-02438, 169-2000-8050-X and X06-21543;

d. Three Family Model PR 2000 central processing units identification numbers X05-33582-D, 169-2000-8075-X, and 169-2000-8049-X;

e. One Compaq Presario 5000 central processing units identification number X06-21543;

f. One Windows 2000 server 1-4 central processing unit identification number C11-

01872;

g. One Studio Works monitor serial number 011DI00799; and

h. One computer keyboard and mouse.

#### REAL PROPERTY

All that lot or parcel of land, together with its buildings, appurtenances, improvements, fixtures, attachments and easements, located in the Joseph Campbell Survey A-243, Smith County, Texas, more particularly described as:

##### Tract 1:

All that certain 10.0 acre tract or parcel of land situated in the J. CAMPBELL SURVEY, Abstract 243, Smith County, Texas; located about 2 miles West of Overton and being a part of a called 25 acre tract of land conveyed to William Harvey, et ux by Finance Washington, et ux in Deed dated August 5, 1948 and recorded in Volume 600, Page 618 of the Deed Records of Smith County, Texas; metes and bounds as follows:

BEGINNING at a ½ inch Iron Pipe set at fence corner being the occupied Northeast Corner of said 25 acre tract;

THENCE North 86 degrees 18 minutes West, along occupied North Boundary Line of said 25 acre tract, 373.4 feet to a one inch Iron Pipe from which a double aluminum pipe bears North 86 degrees 18 minutes West 25.3 feet and a 12 inch Elm North 86 1/4 West 3.6 feet;

THENCE South 0 degrees 26 minutes West, along marked line, 1219.96 feet of a steel spike in center of a county oiled road being the occupied South Boundary Line of said 25 acre tract from which a 1/4 inch Iron Rod bears North 0 degrees 26 minutes East 30.3 feet;

THENCE along center of said road as follows:

South 87 degrees 52 minutes East 36.9 feet to a steel spike;  
North 74 degrees 54 minutes East 348.55 feet to a steel spike set on the occupied East Boundary Line of said 25 acre tract;

THENCE North 0 degrees 26 minutes East, at 27.3 feet a ½ inch

Iron Pipe, and in all along the occupied 25 acre East Boundary Line 1106.4 feet to the place of beginning, CONTAINING 10.0 acres of land.

Tract 2:

All that certain lot, tract or parcel of land being a survey of a 10.00 acre portion of that called 25 acre tract Deeded by Finance Washington and wife, Clema Lee Washington to William Harvey and wife Lessie Harvey, on August 5, 1948, Deed recorded in Volume 600, Page 617, Deed Records of Smith County, Texas, being a part of the Joseph Campbell Survey, Abstract 243, Smith County, Texas, and more fully described as follows:

BEGINNING at spike in county oiled road at the Southeast Corner of this tract from which a ½ inch iron Pin in North right-of-way fence bears North 0 degrees 22 minutes 45 seconds East 19.6 feet, also being the Southwest Corner of that 10.0 acre tract deeded by Lessie Harvey to Matthew Caldwell, Jr., on July 11, 1977, Deed recorded in Volume 1630, Page 816, Deed Records of Smith County, Texas and being on the South line of the Joseph Campbell Survey;

THENCE North 88 degrees 46 minutes 53 seconds West 418.95 feet along county oiled road and South line of said Joseph Campbell Survey to spike at corner from which ½ inch Iron Pin in fence corner bears North 02 degrees 29 minutes 31 seconds East 28.8 feet, being at the Southeast Corner of that called 2.5 acre tract deeded by Lessie Harvey to Marvil Powell and wife Alice Powell on February 17, 1972, Deed filed at No. 2345, 1972 series, Smith County Clerk's office;

THENCE North 02 degrees 29 minutes 31 seconds East along fence to a total distance of 550.42 feet to ½ inch Iron Pin in fence corner at the Northeast Corner of the Marvil Powell 2.5 acre tract;

THENCE North 86 degrees 03 minutes 35 seconds West 44.37 feet along fence to one inch pipe at corner;

THENCE North 0 degrees 33 minutes 38 seconds West 436.55 feet to one inch Pipe set in fence at corner being on the South line of the Spencer Powell 2.0 acre tract deeded to Spencer Powell by Lessie Harvey on December 2, 1973, Deed filed at No. 19641, 1973 series, Smith County Clerk's office;

THENCE North 86 degrees 49 minutes 52 seconds East 411.45 feet along fence to one inch aluminum pipe found in fence corner at the Southeast corner of the Spencer Powell 2.0 acre tract;

THENCE North 01 degrees 30 minutes 24 seconds East 192.44 feet along fence to double aluminum pipe found in fence corner at the Northeast corner of the Spencer Powell 2.0 acre tract;

THENCE South 89 degrees 24 minutes 17 seconds East 35.61 feet along fence to one inch pipe found at corner being the Northeast Corner of this tract and also being the Northwest Corner of that 10.0 acre tract deeded to Matthew Caldwell, Jr. by Lessie Harvey in July 1977;

THENCE South 0 degrees 22 minutes 45 seconds West 1213.17 feet to the Place of Beginning, CONTAINING 10.00 acres of land.

[hereinafter the "property"].

2. The Government in this case has advised that it will not seek to finalize the forfeiture of the property to the United States of America. The Government has requested that the property be utilized as restitution to the approximately 3,000 victims of Defendant's fraudulent conduct. The total losses suffered by these victims has not been precisely determined, but is without question in the millions of dollars.

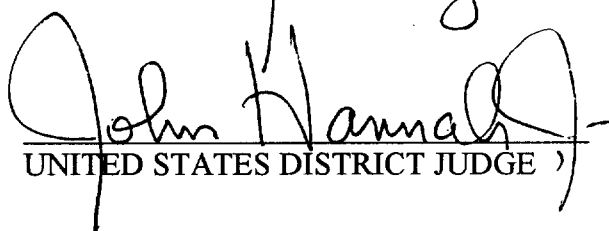
3. Determining which victims will be entitled to what will be a time consuming and laborious task. In that the United States Attorney's Office and United States Probation Office are not staffed or funded to accomplish such work, the Court finds that the most timely and efficient means to accomplish restitution in this case is the appointment of a Receiver pursuant to 18 U.S.C. § 3664. Accordingly, the Court after considering the Government's Motion for Appointment of a Receiver, finds it has merit and should be granted.

It is, therefore, **ORDERED** that Robb Evans of Robb Evans & Associates LLC, 11450

Sheldon Street, Sun Valley, California is appointed as the Receiver in this matter. The Receiver shall oversee and administer claims made against the property. The Receiver shall notify this Court within thirty (30) days of appointment of his plan to administer restitution of the property. Such plan should address the liquidation of assets that are not in cash.

It is further **ORDERED** that the Receiver shall be provided access to documents, records, computers, and other materials seized during the investigation of this matter that are currently in the possession of the Federal Bureau of Investigation, Tyler, Texas;

SIGNED this 24<sup>th</sup> day of January, 2003.

  
UNITED STATES DISTRICT JUDGE )